

HO CHI MINH CITY

Apartments for sale Q2 2021

	YoY Chg	12-Mo. Forecast
16.0% Price Growth (YoY)	▲	▲
44.7% Absorption	▲	▲
2,600 units New supply	▲	▲

Source: Cushman & Wakefield Vietnam – Research & Consultancy

VIETNAM ECONOMIC INDICATORS 1H 2021

	y-o-y Change	12-Mo. Forecast
5.64% GDP growth	▲	▲
1.47% Inflation (CPI)	▼	▼
15.27 FDI (bil. US\$)	▼	▲

Source: General Statistic Office

Sustained Economic Growth

Despite the fourth wave of the COVID-19 pandemic which began at the end of April, Vietnam's GDP growth rate remained at 6.6% in Q2 2021, higher than the growth of 4.5% and 0.4% achieved in Q1 2021 and Q2 2020 respectively. For the first half of 2021, the economy expanded 5.6%, marking a jump from 1.8% in 1H 2020 but still lower than the growth of 6.8% - 7.1% in the same period in 2018 and 2019. Economic recovery is attributed to the increase in industrial output of 8.9% y-o-y as demand recovered in global markets, coupled with the growth of the agricultural sector at 3.7% y-o-y due to favorable weather. Total import and export values increased by 36.1% and 28.4% y-o-y respectively, while FDI disbursement rose by 6.8% y-o-y, despite a 2.6% reduction in FDI attraction. The economy is expected to continue to rebound with full year growth projected at 6.5%. Improved performance of the manufacturing sector and sustained domestic demand will be the major drivers that boost economic growth in the second half.

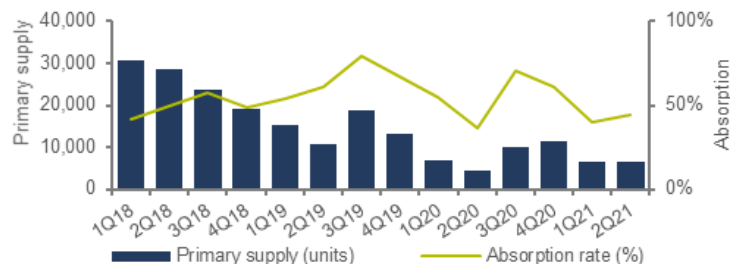
Rising New Supply, Mid- to High-End Are Most Active Segments

Launch activities surged in April, before interruption in May and June with the fourth wave of COVID-19. Overall, new launches grew by 18% q-o-q and 88% y-o-y to more than 2,600 units. Grade B dominated with 64% of new launches, while the remaining was from Grade A. Sales volume also rose by 12% q-o-q and 78% y-o-y. Over two thirds of the total transactions were in Grade B, followed by Grade A at nearly 29%.

Average Prices Trending Upwards

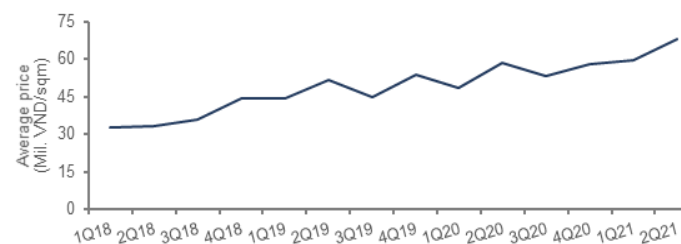
The improved market saw average prices rise by 14% q-o-q and 16% y-o-y. Grade A recorded growth of around 30% on both a quarterly and yearly basis, driven by high-priced new launches and price increases in projects in prime locations. Meanwhile, Grade B and Grade C recorded price drops of 2% and 3% q-o-q respectively, mostly due to the entry of new projects at competitive prices. On the yearly basis, Grade B and Grade C recorded increases of 13% and 11%, respectively.

PRIMARY SUPPLY/ABSORPTION



Source: Cushman & Wakefield – Research & Consultancy

AVERAGE PRIMARY PRICE



Source: Cushman & Wakefield – Research & Consultancy

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MARKET STATISTICS

SUBMARKET	NEW LAUNCHES (UNITS)	INVENTORY (UNITS)	ABSORPTION (%)	AVERAGE PRIMARY PRICE		
				MIL. VND/SQ M	US\$/SQ M	EUR/SQ M
Grade A	900	1,800	47%	114.0	4,974	4,109
Grade B	1,700	4,300	46%	52.2	2,277	1,881
Grade C	-	500	26%	34.8	1,519	1,255
HCMC TOTALS	2,600	6,600	45%	68.0	2,964	2,448

*All prices are exclusive of VAT

US\$/VND = 22,926; US\$/€ = 0.826 as at 14 June 2021

SIGNIFICANT PROJECTS LAUNCHED IN Q2 2021

PROPERTY	SUBMARKET	GRADE	TOTAL UNITS	LAUNCHED UNITS
Grand Marina Saigon	CBD	A	4,200	200
Cardinal Court	South	A	200	200
Mizuki Park phase 2	West	B	1,500	600

SIGNIFICANT PROJECTS UNDER CONSTRUCTION Q2 2021

PROPERTY	SUBMARKET	DEVELOPER	TOTAL UNITS	CONSTRUCTION STATUS
Ventosa Luxury	CBD Fringe	Tan Thanh Ltd.	300	Under construction
Thao Dien Green Towers	East	SIC	300	Under construction
Lancaster Legacy	CBD	Trung Thuy Group	400	Under construction

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